

## House Republican Press Release

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### **Rep. Frey: State Tax Returns Should Remain Private**



HARTFORD-State Representative John H. Frey, R-Ridgefield today pledged to introduce legislation that would guarantee the privacy of personal and business tax records. Several weeks ago, Attorney General Richard Blumenthal issued a legal opinion that allows a legislative committee to receive individual tax information of Connecticut residents, including names, addresses and Social Security numbers.

The Legislature's Program Review and Investigations Committee is currently conducting a study of the state's tax system. Committee staff recently sought data from the corporate tax and personal income tax filings from the state Department of Revenue Services. Blumenthal's opinion referenced a 1993 state law, which he categorized as vague, in granting such access to the data. Blumenthal also subsequently wrote to legislative leaders, urging that the law be amended as soon as possible.

"There is cause for every state taxpayer to be concerned by the Attorney General's legal opinion," said Rep. Frey, who serves as an Assistant Minority Leader. "Documents as personal as one's tax return should only be seen by the state's tax office. Supplying them to other state offices only opens the door for mischief. In addition to allowing legislators and their staff to view this information, the legal opinion also provides such access to third party consultants. Clearly, legislation must be introduced in February when the next regular session begins to address the problem."

Following the release of the Attorney General's opinion, a representative from the Connecticut Business and Industry Association also raised the possibility that a business' tax return information could later be handed to non-government entities. In addition, Governor M. Jodi Rell expressed concern over a number confidentiality issues involved with granting access to personal tax information.

According to a draft scope of the tax study, the first phase will examine the state and local tax structure to determine how well the system performs based upon naturally recognized criteria. Depending on the outcome of the first phase and the desire of the committee, the second phase may examine various alternatives for change, their potential benefits and drawbacks and how different options might impact different taxpayers in the state.